

BP and Transocean Refuse to Cooperate with States

June 22 2010

FOR IMMEDIATE RELEASE

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Jackson, MS-The surreptitious legal strategy of BP and Transocean has surfaced. BP refused to agree not to seek removal to a Houston, Texas federal court of state claims filed in state court and Transocean has refused to agree to release state statutory and common law claims from its Limitation of Liability action, announced Attorney General Jim Hood today. Both companies have filed actions before Houston, Texas federal district court judges in an attempt to pick a friendly forum.

Attorney General Hood stated, "I am convinced BP and Transocean wanted to continue their behind the scenes legal strategy until the public fervor over the oil disaster died down. I finally pinned BP down last Thursday and Transocean sent the Coastal Attorneys General a letter today stating their position. They want to drag any actions brought by the states in state court into a federal district court in Houston, Texas. Mississippi claims should be heard in Mississippi courts. I think my fellow Attorneys General feel the same way about their states' claims."

"As a veteran of the insurance wars following Hurricane Katrina, I have experienced first-hand the frustration of unnecessary postponement of the judicial process caused by dilatory defense tactics, including imprudent removal to federal court," said Attorney General Hood. "These unfair stalling tactics must be stopped."

The refusal by BP brings to light the need for the nation's lawmakers to pass a bill (HR5503) being considered by a House committee this week. The proposed legislation would prevent defendants from dragging cases out of Mississippi courts and placing them in federal courts out of state. The bill is set for a vote on Wednesday.

"We are asking lawmakers to repeal the Limitation of Liability Act and to amend the Class Action Fairness Act (CAFA)," said Attorney General Jim Hood. "We are not expecting the responsible parties to pay one dime more than they should to rectify the damage caused by this oil spill but we do expect them to pay every dime it takes to make it right again."

In an additional action, Attorney General Hood circulated among his fellow Coastal Attorneys General a motion that would dismiss action by Transocean to limit their liability. General Hood concluded, "I was hoping that BP and Transocean would not take the 20 year litigation path that Exxon took and we could settle out of court, but it appears that a costly legal battle lies ahead."